

arguments in favor of the Legislature setting the tax rates are very simple. This Legislature like every Legislature in the United States determines the budget for the state in its operations. We determine just exactly what we are going to spend, what programs, what priorities we have and we set that in the budget and then we say in a very theoretical way that somebody else should take the heat for setting the tax rates. Now I think frankly that is bad policy and as I said before, we are the only state that chooses to confuse or try to confuse the public in that rate setting process. The worst part of the whole thing is that we have found through many occasion that the Legislature for one reason or another is asked to, in fact, set the tax rates and we have done that on a number of occasions. In fact, we have a bill before us this year which is to...LB 59, which is intended to set the tax rates at what many of us believe is the appropriate rate considering the kinds of cuts that are going to be taken into, should be taken into consideration, cuts coming from the federal government. The situation here is a question of responsibility and I think government works best and is a lot less political when, in fact, the responsibility is clearly placed upon the body and those individuals who have the responsibility for causing such tax rates to be set. So the proposal before us now is a simple one. It says that we shall take that responsibility. We shall not shirk that responsibility and we will make it clear to the people of the State of Nebraska that we, by our actions, cause the rates to be set and that we, by law, will set those tax rates. Now I have an amendment that I discussed with Senator Kilgarin and we will be offering that amendment shortly. The amendment further clarifies the process that the Legislature, and I'll explain the amendment in a moment, but this is the opening on the bill. It is a very simple, philosophical change that will create and correct what I think has been a number of mistakes and problems that we have seen in the past. With that, I urge this body to favorably consider LB 169.

PRESIDENT: Do you wish to take up your amendment now, Senator Newell?

SENATOR NEWELL: If we could.

PRESIDENT: Senator Newell has an amendment.

CLERK: Mr. President, Senator Newell would move to amend the bill. (Newell amendment is found on pages 831-832 of the Legislative Journal.)

PRESIDENT: Senator Newell.